



Nursing Education Loan Repayment Program

Fiscal Year 2011 Continuation Contract Application and Program Guidance

March 2011

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Health Resources and Services Administration
Bureau of Clinician Recruitment and Service
Division of Nursing and Public Health
5600 Fishers Lane, Room 8-72
Rockville, Maryland 20857

For Questions, please call 1-800-221-9393 (TTY: 1-877-897-9910), or email CallCenter@hrsa.gov, Monday through Friday (except Federal holidays) 9:00 am to 5:30 pm EST.

Frequently Asked Questions are available online at <http://answers.hrsa.gov/>

Authority: Section 846(a) of the Public Health Service Act (42 United States Code 297(n)(a)), as amended by Sec. 5310(a) of Public Law 111-148. Future changes in the governing statute, implementing regulations and Program Guidances may also be applicable to your participation in the Nursing Education Loan Repayment Program.

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Privacy Act Notification Statement

General

This information is provided pursuant to the Privacy Act of 1974 (Public Law 93-579), as amended, for individuals supplying information for inclusion in a system of records.

Statutory Authority

Section 846(a) of the Public Health Service Act (42 United States Code 297(n)(a)), as amended by Sec. 5310(a) of Public Law 111-148.

Purposes and Uses

The purpose of the Nursing Education Loan Repayment Program (NELRP) is to assist in the recruitment and retention of professional Registered Nurses (RNs) dedicated to working in health care facilities with a critical shortage of nurses or working as nurse faculty in eligible schools of nursing, by decreasing the economic barriers associated with pursuing careers at such critical shortage facilities or in academic nursing. The information applicants provide will be used to evaluate their eligibility for continued participation in NELRP. In addition, information from other sources will be considered (e.g., credit bureau reports).

A participant's contract, application, required supplemental forms, supporting documentation, correspondences and related data are maintained in a system of records to be used within the U.S. Department of Health and Human Services to monitor NELRP-related activities. The information may also be disclosed outside the Department, as permitted by the Privacy Act and Freedom of Information Act, to the Congress, the National Archives, the Government Accountability Office, and pursuant to court order and various routine uses (see <http://www.hrsa.gov/privacyact/sorn/09150037.htm>).

Effects of Nondisclosure

Disclosure of the information sought is voluntary; however, if not submitted, an application will be considered incomplete and therefore will not be considered for an award under this announcement.

Paperwork Reduction Act Public Burden Statement

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current OMB control number. The current OMB control number for information collected through this application process is 0915-0140. Public reporting burden for this collection is estimated to average 3 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to HRSA Reports Clearance Office, 5600 Fishers Lane, Room 10-33, Rockville, Maryland 20857.

Program Overview

INTRODUCTION

What is the Nursing Education Loan Repayment Program (NELRP)?

The United States continues to experience a nursing shortage that is expected to increase given the aging demographic of the U.S. population and a growing need for health care. Further compounding this problem, U.S. schools of nursing cannot adequately expand enrollment levels due to a shortage of nurse faculty. The NELRP assists in addressing this issue.

NELRP is administered by the Bureau of Clinician Recruitment and Service (BCRS) in the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS). The purpose of NELRP is to assist in the recruitment and retention of professional registered nurses (RNs) dedicated to working in health care in facilities with a critical shortage of nurses, by decreasing the financial barriers associated with pursuing such careers. The program offers these RNs substantial financial assistance to repay a portion of their qualifying educational loans in exchange for full-time service at a health care facility with a critical shortage of nurses.

What is a NELRP Continuation Contract?

The NELRP Continuation Contract offers NELRP participants who have completed their initial two-year contract an opportunity for a third optional year of service in exchange for an additional 25 percent of their original qualifying educational loan balance.

ELIGIBILITY REQUIREMENTS and APPLICATION PROCESS

What are the eligibility requirements for a NELRP Continuation Contract?

To be eligible for a continuation contract, the following conditions must be met:

- (1) A participant must notify NELRP in writing or email (callcenter@hrsa.gov), at least 6 months (180 days) prior to the end of the second service year, that the participant wishes to continue the NELRP contract for a third year;
- (2) A participant must continue to serve at the eligible, approved Critical Shortage Facility (see “Does my site qualify for the NELRP?”) as set forth in his or her initial 2-year contract;

If the participant’s site is no longer a nonprofit Critical Shortage Facility, a continuation contract will not be awarded. If such a participant wants to continue in NELRP, he or she must request and receive written prior approval to transfer to another eligible facility prior to submitting his/her continuation contract request. Note that moving expenses will not be paid.

- (3) A participant must have a current full, permanent, unencumbered, unrestricted license as an RN and retain it during the one-year service obligation;
- (4) The NELRP payments received after Federal tax withholding under the NELRP two-year contract must have been applied to reduce the original qualifying educational loan balances, as indicated on the Payment Authorization Worksheet (PAW) that participants received with their award notice. A participant’s loan balances will be verified and a payment history from his or her lender(s)/holder(s) will be required. Failure to apply all NELRP payments to reduce the

original qualifying nursing education loans balance will result in the denial of a request for a continuation contract;

- (5) A participant must not have an existing service obligation other than NELRP (there is an exception for members of a reserve component of the Armed Forces, including the National Guard); and
- (6) A participant must continue to meet all other program eligibility criteria, must be in full compliance with his or her existing NELRP service obligation, and must be planning to work for the duration of the continuation contract at the same approved facility.

The continuation contract will not be effective until the participant has completed the initial two-year contract. The continuation contract service period must begin immediately following the completion of the initial service commitment.

Does my site qualify for the NELRP?

An FY 2011 NELRP continuation contract participant is required to work at a Critical Shortage Facility. The facility must be a public or private nonprofit entity.

Critical Shortage Facilities include:

- (1) **Disproportionate Share Hospital (DSH).** A nonprofit hospital that has a disproportionately large share of low-income patients and receives an augmented payment from the State under Medicaid or a payment adjustment from Medicare. Hospital-based outpatient services are included under this definition. For more information, please visit: http://www.cms.hhs.gov/AcuteInpatientPPS/05_dsh.asp#TopOfPage.
- (2) **Nursing Home.** A public or private nonprofit institution (or a distinct part of an institution), certified under section 1919(a) of the Social Security Act, that is primarily engaged in providing, on a regular basis, health related care and service to individuals who because of their mental or physical condition require care and service (above the level of room and board) that can be made available to them only through institutional facilities, and is not primarily for the care and treatment of mental diseases. For more information, please visit: <http://www.medicare.gov/Nursing/Overview.asp>.
- (3) **State or Local Public Health or Human Services Department.** The State, county, parish, or district entity in a State that is responsible for providing population-focused health services which include health promotion, disease prevention, and intervention services provided in clinics or other health care facilities that are operated by the Department.
- (4) **Federally-Designated Health Center.** A nonprofit entity that is receiving a grant, or funding from a grant, under section 330 of the Public Health Service Act, as amended, to provide primary health services and other related services to a population that is medically underserved. Federally-designated health centers include Community Health Centers, Migrant Health Centers, Health Care for the Homeless Health Centers, and Public Housing Primary Care Health Centers. For more information, please visit: <http://findahealthcenter.hrsa.gov>.
- (5) **Federally-Designated Health Center Look-Alike.** A nonprofit entity that is certified by the Secretary as meeting the requirements for receiving a grant under section 330 of the Public Health Service Act, but is not a grantee. For more information, please visit: <http://bphc.hrsa.gov/policy/pin0321.htm>.

- (6) **Native Hawaiian Health Center.** An entity: (a) which is organized under the laws of the State of Hawaii; (b) which provides or arranges for health care services through practitioners licensed by the State of Hawaii, where licensure requirements are applicable; (c) which is a public or nonprofit private entity; and (d) in which Native Hawaiian health practitioners significantly participate in the planning, management, monitoring, and evaluation of health services. For more information, please see the Native Hawaiian Health Care Act of 1988 (Public Law 100-579), as amended by Public Law 102-396, and <http://healthfinder.gov/orgs/HR3600.htm>.
- (7) **Indian Health Service Health Center.** A nonprofit health care facility (whether operated directly by the Indian Health Service or by a tribe or tribal organization, contractor or grantee under the Indian Self-Determination Act, as described in 42 Code of Federal Regulations (CFR) Part 136, Subparts C and H, or by an urban Indian organization receiving funds under Title V of the Indian Health Care Improvement Act) that is physically separated from a hospital, and which provides clinical treatment services on an outpatient basis to person of Indian or Alaskan Native descent as described in 42 CFR Section 136.12. For more information, please visit: <http://www.ihs.gov>.
- (8) **Rural Health Clinic.** A public or private nonprofit entity that the Centers for Medicare and Medicaid Services has certified as a rural health clinic under section 1861(aa)(2) of the Social Security Act. A rural health clinic provides outpatient services to a non-urban area with an insufficient number of health care practitioners. For more information, please visit: <http://www.cms.hhs.gov/center/rural.asp>.
- (9) **Critical Access Hospital (CAH).** A nonprofit facility that is (a) located in a State that has established with the Centers for Medicare and Medicaid Services (CMS) a Medicare rural hospital flexibility program; (b) designated by the State as a CAH; (c) certified by the CMS as a CAH; and (d) in compliance with all applicable CAH conditions of participation. For more information, please visit: http://www.cms.hhs.gov/Certificationandcompliance/04_CAHs.asp.

Note: If an applicant or Critical Shortage Facility is not sure whether a facility fits into one of the categories above, please contact your business office or Human Resources department.

Ineligible facilities include, but are not limited to:

- (1) free-standing clinics that do not qualify as a facility above;
- (2) renal dialysis centers;
- (3) private practice offices;
- (4) assisted living facilities;
- (5) clinics in prisons and correctional facilities; and
- (6) private for-profit facilities.

What should I expect if I am selected to receive a continuation contract?

If your continuation contract application is approved, the NELRP will notify you in writing. The NELRP frequently corresponds with applicants by email. Please check email during the continuation contract

process for correspondence from our office and make certain to disable SPAM blockers (or check your SPAM folder).

If a participant is selected for a NELRP continuation contract, the individual's contract is signed by the Secretary of Health and Human Services or his/her designee. Note that a contract is not effective until you have completed the initial two-year service commitment under your initial NELRP contract, including any additional time required due to excessive absences. If your absences exceed the amount allowable (see "Can I be absent from my site and receive service credit?"), your service end date under your initial contract will be extended.

Award payments are made monthly over 12 months through an electronic funds transfer to the participant's checking or savings account identified on the banking information submitted by the participant. The first direct deposit is made approximately 30 days after the effective date of the contract.

Important Notes:

- (1) Participants are required to use the NELRP payments to pay the lenders or holders of their qualifying educational loans, as indicated on a Payment Authorization Worksheet that will be provided to participants with their award notice. Periodically, NELRP will contact a participant's lenders or holders to verify that payments have been made.
- (2) Participants must immediately notify NELRP, in writing, of any changes in mailing address, email address, name, or financial institution (bank) information to ensure an uninterrupted flow of loan repayment funds. Participants must also notify NELRP of changes in service site and employment status. In the case of a name change, please provide legal documentation, such as a copy of a marriage certificate. Participants should send their request to:

Change of Information - NELRP
Division of Program Operations
5600 Fishers Lane, Room 8-15
Rockville, MD 20857

- (3) If for any reason a participant does not receive a scheduled payment, the participant should call the NELRP as soon as possible at 1-800-221-9393 or email callcenter@hrsa.gov. Please be advised that if the NELRP has any questions concerning a participant's eligibility for continuing payments, the NELRP will suspend payments pending clarification of the participant's eligibility status.

SERVICE REQUIREMENTS

What are the service requirements?

Nurses who apply to serve at a Critical Shortage Facility under the NELRP continuation contract must provide full-time service, defined as working as an RN for at least 32 hours per week for a minimum of 45 weeks per service year at the facility, for one year beginning on the effective date of the contract. No more than 7 weeks per service year can be spent away from the facility for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason.

For all NELRP participants, the following rules apply:

- (1) Participants must retain a current full, permanent, unencumbered, unrestricted license as an RN during the one-year service obligation to continue to be eligible for the NELRP award;
- (2) If an applicant fails to commence full-time service on the effective date of the contract at the Critical Shortage Facility identified in the application, he/she may be placed in default.

Will I earn a salary during my service obligation?

NELRP participants will receive salary and benefits from the employing Critical Shortage Facility, or professional group. Employment compensation packages may be negotiated between the nurse and the employer. The facility or professional group cannot guarantee a NELRP contract. Therefore, the NELRP loan repayments should not be a part of any salary negotiations between the nurse and the employer.

Can I be absent from my site and receive service credit?

No more than 7 weeks per service year can be spent away from the facility for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason. NELRP-approved absences totaling greater than 7 weeks in a service year require an extension of the contract end date.

Employment Verification

The NELRP will send each participant a verification form that must be submitted for each six months of service. The form must be completed and signed by an authorized personnel official at the approved Critical Shortage Facility or professional group. By signing this form, the official will be certifying the participant's compliance or noncompliance with the full-time service requirement during that six-month period. The form will also record the participant's time spent away from the facility during that period. Participants who fail to complete and submit their six-month verification forms on time jeopardize receiving service credit and may be recommended for default. The form will be provided to you electronically and should be faxed back to 1-800-718-2539. Any participant who does not receive a 6-month verification form should immediately contact the NELRP at 1-877-313-1823 or (301) 446-1630.

CHANGING JOBS

What steps do I need to take if I have to leave the Critical Shortage Facility prior to completing my service?

The NELRP expects that a participant will fulfill his or her obligation at the initial Critical Shortage Facility; however, the NELRP does understand that circumstances may arise that require a participant to leave the initial facility and complete service at another approved site. If a participant feels he or she can no longer continue working at the facility, the participant should contact the NELRP immediately. If the participant leaves without prior written approval of the NELRP, he/she may be placed in default.

How do I request a transfer to another facility?

If a participant needs a transfer to another site, the participant must notify the NELRP, in writing, before leaving the facility. The written request should include: (a) the reason for the transfer and (b) a letter/certification from the facility where the clinician is requesting to transfer to (i.e. the new employer) verifying the facility type and indicating if the facility is a private nonprofit, private for-profit, or public/government-owned. The request should be mailed to the following address:

Transfer Requests - NELRP
Division of Program Operations
5600 Fishers Lane, Room 8-15
Rockville, Maryland 20857
1-800-221-9393

Participants will receive an official written decision from the NELRP regarding the approval or denial of a transfer request. Failure to receive prior written approval from the NELRP will result in immediate suspension of payments until the NELRP: (a) receives all required forms and supporting documentation verifying the transfer site's status and the participant's full-time employment, and (b) approves the participant's transfer request.

The following are additional requirements applicable to transfer requests:

- (1) Participants who signed a contract to serve at a Critical Shortage Facility must transfer to another Critical Shortage Facility included in the First Funding Preference;
- (2) If there is a less than 30-day break in service between the initial site and the approved transfer site, the NELRP payments will not be interrupted. However, if the participant fails to resume service within 30 days of the stop-work date at the initial facility, the NELRP will stop all loan repayments. Once the participant begins full-time service at another approved facility, the service end date will be extended accordingly and loan repayments will resume;
- (3) If a participant ceases full-time employment at the initial site and does not resume service at an eligible approved facility within 60 days, the participant will be recommended for default.

BREACHING THE CONTRACT

What if I breach my NELRP contract?

The NELRP encourages participants to immediately contact the NELRP if a situation arises in which a participant is potentially unable to fulfill his/her service obligation. The NELRP will work with participants to assist them to the extent possible to avoid a breach and fulfill the service obligation. A participant who enters into a one-year continuation contract but fails to begin or complete his/her obligation is liable to repay all the NELRP payments received for the third year of service (including amounts withheld for Federal taxes), plus interest at the maximum legal prevailing rate from the date of the participant's breach. Breach of contract will permanently disqualify the individual from receiving future awards under the NELRP and some other Federal programs.

Any indebtedness owed to the Federal government is due within three years of the participant's service breach date. The debt amount will be subject to interest at the maximum legal prevailing rate from the date of the breach until paid in full. Other charges and penalties for delinquent or past due payments may be assessed.

SUSPENSION & WAIVER

What should I do if I feel I cannot continue my service or payment obligation?

The Secretary of Health and Human Services may, under certain circumstances, suspend (put “on hold”) or waive (excuse) the NELRP service or payment obligation. A request for a suspension or waiver must be submitted in writing to:

Suspension and Waiver Requests - NELRP
Division of Program Operations
5600 Fishers Lane, Room 8-15, Rockville, Maryland 20857
1-800-221-9393 (TTY: 1-877-897-9910)
Fax: (301) 451-5384

- (1) Suspension. This mechanism provides temporary relief to a NELRP participant if he/she has short-term (not permanent) circumstances that currently make compliance with the obligation impossible or would involve an extreme hardship such that enforcement of the obligation would be unconscionable. Periods of approved suspension will extend a participant’s NELRP service obligation end date.

All periods of time away from the approved facility should be documented by the employer on the six-month service verification form. If the total time away from the site, including the period of suspension, exceeds 7 weeks per service year as set forth under Service Requirements (see page 11), the service obligation end date will be extended accordingly.

The major categories of service suspensions are set forth below.

- a. Leave of Absence for Medical or Personal Reasons – A suspension may be granted for up to one year, if the participant provides independent medical documentation of a physical or mental health disability, or personal circumstances, including a terminal illness of an immediate family member, which results in the participant’s temporary inability to perform the NELRP obligation. Upon receipt of the written suspension request, the NELRP will mail the participant instructions for submitting supporting documentation.
- b. Maternity/Paternity/Adoption Leave – Participants must notify the NELRP of pending maternity/paternity/adoption leave and provide appropriate documentation. Maternity/paternity/adoption leave of 12 weeks or less will be automatically approved, if properly documented. If the participant’s maternity/paternity/adoption leave will exceed 12 weeks during that service year, a suspension may be granted by the NELRP based on documented medical need.
- c. Call to Active Duty in the Armed Forces – Participants who are also military reservists and are called to active duty will be granted a suspension, for up to one year, beginning on the activation date described in the reservist’s call to active duty order. In addition to the written request for a suspension, a copy of the order to active duty must be submitted to NELRP. The suspension will be extended if the applicable Armed Forces entity continues the period of active duty. The period of active military duty will not be credited toward the NELRP service obligation.

- (2) Waiver. A waiver permanently relieves the participant of all or part of the NELRP obligation. A waiver will be granted only if the participant demonstrates that compliance with his/her obligation is permanently (a) impossible or (b) would involve an extreme hardship such that enforcement of the obligation would be unconscionable. A request must be submitted in writing to the NELRP and must specify the reason(s) the waiver is being sought. The participant will be contacted directly by the NELRP regarding the medical and financial documentation necessary to process the waiver request. Please note that waivers are not routinely granted, and require a demonstration of compelling circumstances.

When would my service obligation be cancelled?

A participant's obligation will be cancelled only in the unfortunate event of death. No liability will be transferred to the participant's heirs.

Apply Now

TIPS & IMPORTANT DATES

What should I do before I apply?

Please read the *Application and Program Guidance* in its entirety before proceeding with an application. It explains the contractual obligations of the Secretary of Health and Human Services and NELRP participants. Be sure you understand the obligation to serve full-time for 1 year at a Critical Shortage Facility and the financial consequences of failing to perform that obligation. Applicants are strongly encouraged to print and retain a copy of the *Application and Program Guidance* for future reference.

When is the application deadline?

All required supplemental forms and appropriate supporting documentation must be faxed or postmarked by April 8, 2011.

What materials will I need when I apply?

To apply for a NELRP continuation contract, you must submit a complete application package consisting of:

(1) NELRP FY 2011 Continuation Contract

- a. Print your name and sign and date the contract.
- b. Remember that this contract isn't effective until the initial NELRP service obligation is fulfilled.

(2) Self-Certification of No Other Service Obligation

- a. This form must be signed by you to affirm that you have no service obligation with any entity other than the NELRP.

(3) Certification regarding Debarment, Suspension, Disqualification, and Related Matters

- a. This form describes the regulatory requirements for "covered transactions" such as the NELRP.
- b. Print your name and sign and date the form.

(4) Authorization to Release Information Form

- a. This form authorizes the Department of Health and Human Services and/or its contractors to release required information, as needed, to verify eligibility to participate in NELRP and that previous NELRP payments have been used to pay qualifying nursing educational loans.

(5) Third Party Authorization Form

- a. This form authorizes the NELRP to discuss information pertaining to your participation in the NELRP to third parties, such as family members or legal representatives.

(6) Payment History for Qualifying Nursing Educational Loans

- a. All continuation contract applicants must submit a payment history, which indicates that all payments received under your initial NELRP contract have been applied to reduce your qualifying nursing educational loans debt. This payment history can be obtained from your lender(s) and should reflect payments from your service start date through February 2011.

(7) Online Banking Submission Form

- a. In order to receive a continuation contract, applicants must submit their banking information to the NELRP through the Bureau of Clinician Recruitment and Service (BCRS)

Online Banking System. Failure to submit banking information through the online system will prevent you from receiving your NELRP award funds. To access the electronic BCRSIS Banking Information Submission form, go to <https://nis.hrsa.gov/banklogin.aspx> and follow the instructions. You must print the "BCRSIS Receipt of Submission" and submit a copy of the receipt with your continuation contract application.

(8) Signed NELRP Application Checklist

- a. The Checklist assists applicants and the NELRP staff in verifying the completeness of the application. Return the Checklist along with all of the other required forms and documentation.
- b. Carefully read the certification statement at the bottom of the Checklist. The statement must be signed for the application to be considered complete and to certify the information you provided is accurate. Print your name and sign and date the Checklist.

Mail or Fax the required documents no later than April 8, 2011 to:

NELRP
c/o HRSA Document Center
12530 Parklawn Drive, Suite 350
Rockville, MD 20852
Fax: (855) 444-6034
Attention: Continuation Contract Department

You will be notified in writing of the decision regarding your continuation contract application no later than July 2011. Please note that if you receive a continuation contract, it will not be effective until you have completed the 2-year service commitment under your initial NELRP contract.